

Statement on Executive Compensation Cuts for Firms Receiving TARP Funds

WASHINGTON, DC - The U.S. Treasury Department today ordered companies who received large amounts of federal financial assistance under the Troubled Asset Relief Program (TARP) to cut the compensation of their highest paid executives. Congressman Charlie Wilson (OH-6) made the following statement regarding these compensation cuts:

“I completely agree with the Administration’s decision to order executive pay cuts of the TARP-fund recipients. I find it crazy to think that while these companies are running with taxpayer funds that they would even consider paying excessive salaries and bonuses. These banks came to American taxpayers and asked for help, and we gave it to them. Now it is only right for taxpayers to stand up and demand that these banks act responsibly and reasonably. Getting help from the government is a two way street – we can help, but you will be held accountable.

“And to be clear, these pay cuts only apply to those companies who are still using TARP funds. Firms like Goldman Sachs and JP Morgan that have returned their loans will not face these pay restrictions. As of September 30, almost \$73 billion of TARP repayments have been made, and the taxpayers have seen a return of approximately 17% on those funds. My hope is this new tough stance will motivate firms to accelerate their repayment timeline so that taxpayers can recoup even more.

“I believe that restrictions like these are critical to restoring common sense and accountability to our financial system.”